VZCZCXRO7547 PP RUEHBI DE RUEHLM #0286/01 0451301 ZNY CCCCC ZZH P 141301Z FEB 07 FM AMEMBASSY COLOMBO TO RUEHC/SECSTATE WASHDC PRIORITY 5458 INFO RUEHRL/AMEMBASSY BERLIN 0219 RUEHHE/AMEMBASSY HELSINKI 0182 RUEHIL/AMEMBASSY ISLAMABAD 6857 RUEHKT/AMEMBASSY KATHMANDU 4927 RUEHLO/AMEMBASSY LONDON 3545 RUEHNE/AMEMBASSY NEW DELHI 0647 RUEHNY/AMEMBASSY OSLO 3634 RUEHOT/AMEMBASSY OTTAWA 0986 RUEHTC/AMEMBASSY THE HAGUE 0315 RUEHKO/AMEMBASSY TOKYO 2714 RUEHCG/AMCONSUL CHENNAI 7426 RUEHBI/AMCONSUL MUMBAI 5147 RUEHON/AMCONSUL TORONTO 0109 RUEHBS/USEU BRUSSELS RUEHGV/USMISSION GENEVA 1816 RUCNDT/USMISSION USUN NEW YORK 0538 RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC RHHMUNA/HO USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 03 COLOMBO 000286

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STATE FOR SCA/INS, USPACOM FOR FPA

E.O. 12958: DECL: 02/14/2017

TAGS: PREL PTER PGOV CE SUBJECT: CO-CHAIR AMBASSADORS DISCUSS POLICY IMPLICATIONS

OF DE-MERGER OF NORTHERN AND EASTERN PROVINCES

REF: A. COLOMBO 265

*B. COLOMBO 281

Classified By: Ambassador Robert O. Blake, Jr. for reasons $1.4\ (b)$ and (d).

- 11. (C) Summary: Ambassador hosted on February 14 a meeting with Co-Chair Ambassadors and Indian High Commissioner Prasad to agree on positions we should recommend that capitals take on the key policy issues that Co-Chairs now face as a result of the Sri Lankan military's victories in the east and the Government of Sri Lanka's (GSL) intention to decouple the Northern and Eastern provinces (ref a). Norwegian Ambassador Brattskar indicated that the GSL will have to articulate a clear position to Norway and the Co-Chairs about whether the GSL supports the Cease-Fire Agreement as the basis for new talks, after which Norway will have to decide whether to continue with its facilitation efforts. Ambassadors agreed that Co-Chair countries should:
- -- press the Government to develop and finalize a credible devolution plan as quickly as possible and limit national consultations that could water down the plan's content;
- -- not declare the Cease-Fire Agreement dead since that is for the parties to decide, but understand it is unlikely the GSL will withdraw from the areas in the east that it has won back from the LTTE;
- -- press the GSL to rein in the increasingly brazen lawless activity of Karuna and assert GSL control over law and order in the east. End Summary.

De-Merger: Don't Close the Door

12. (C) The 1987 Indo-Lankan accord first merged the North and East Provinces in order to establish a Tamil-majority area that eventually could be ruled by Tamils under a federal

system to be negotiated later. The Supreme Court of Sri Lanka ruled on October 30, 2006 against the merger of the two provinces. However, several recent devolution proposals including the Majority Expert Panel report recommended that the Eastern Province be re-merged with the Northern Province for a period of ten years. Ambassador noted that Co-Chairs must decide whether we should seek to stop the GSL's effort to de-couple the northern and eastern provinces. He asked Prasad what position India had taken on this question. Prasad responded that as long as the GSL does not take any steps that close the door to a possible re-merger, India will not object. Co-Chair ambassadors agreed that seemed the pragmatic way forward.

Need to Press for Quick Progress on Devolution Plan

¶3. (C) Co-Chair Ambassadors and the Indian High Commissioner agreed it would be important for all of our countries to press the Government to develop and finalize a credible devolution plan as quickly as possible. Prasad explained that the Indian government had urged Sri Lankan Foreign Minister Bogollogama to come up with a plan by the end of February during Bogollagama's early February visit. Norwegian Ambassador Brattskar commented that his GSL interlocutors were reporting that it would take much longer. An SLFP sub-committee was drafting an SLFP devolution proposal that would be finalized in the next two to three weeks and presented to the Chairman of the All Parties Committee Process, Professor Vitharana who would then seek to incorporate its major elements into a separate plan he is

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developing. The Government was then talking about a consultation process that could last as long as three months before a final proposal would be ready to present to the LTTE.

 $\underline{\P}4$. (C) Ambassadors agreed that the key would be whether the President could count on UNP support since UNP votes would give the President well more than the 150 votes he needs to amend the constitution. Ambassador reported on his conversation (ref B) with opposition leader Wickremesinghe in which Ranil assured him that the UNP would support any proposal that falls within the parameters of the ideas the UNP has already submitted. Ambassadors and Prasad agreed that since the President has more than enough votes already to amend the Constitution, Co-Chair countries should press the government to limit the consultation process as much as possible since that ran the risk of watering down the details of the devolution plan. Brattskar agreed recounting his personal experience trying to persuade then-President Chandrika Kumaratunga to implement the tsunami joint mechanism plan. She agreed in principle to the mechanism, but insisted on the need for consultations, after which she concluded it would not be possible to implement the joint mechanism after all.

Channeling Aid to the New Eastern Province

15. (C) EU Head of Mission Wilson briefed the group that the new Eastern Provincial Council already is operating and the government is pressing the EU to provide assistance that had previously been allocated to the merged Northeastern Provincial Council. Prasad commented that India was prepared to assist the new eastern council while making clear to the GSL that such assistance did not foreclose the possibility of re-merging the northern and eastern provinces should the parties decide that is necessary to achieve a final settlement.

No Role for Norway Now

16. (C) Brattskar briefed the group that Norwegian Envoy Hanssen-Bauer is currently in Berlin and has informed the Germans that he sees no role for Norway at this stage. He said Norway believes the Co-Chairs must maintain a common position and therefore applauds the February 14 meeting and the upcoming February 21 conference call. Brattskar said Hanssen-Bauer is ready to come to Colombo, but there is nothing to discuss with the LTTE at this juncture.

CFA - LTTE Likely to Delay Decision; Norway's Future Role Uncertain

17. (C) A key question facing the LTTE will be whether they insist on a government withdrawal from territories recently occupied in the east and a return to the terms of the 2002 Cease-Fire Agreement as preconditions for resuming peace talks. Brattskar guessed that the LTTE would not take a position on this until they had to and much would depend on the credibility of the devolution plan that the government comes up with. He said the LTTE can sometimes be flexible. For example, the LTTE had insisted on the return of Sampur before the talks began in 2002, but they later dropped that condition. Brattskar commented that the government also does not yet have a strategy with respect to the CFA. The GSL will have to articulate a clear position to Norway and the Co-Chairs, after which Norway will have to decide whether to continue with its facilitation efforts. (Note: the Sri Lankan Monitoring Mission would have to make a similar

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decision.) Co-Chair ambassadors agreed that for the moment we should not declare the CFA dead since that is for the parties to decide.

Rein In Karuna

18. (C) German Ambassador Weerth briefed the group on several recent incidents that demonstrate the growing brazenness of the Karuna faction in the east and the need for the Co-Chairs to take a gloar stand new to forestall a further

established greater GSL control of law and order.

- to take a clear stand now to forestall a further deterioration in Karuna's conduct. He told Co-Chairs he had demarched the Foreign Minister earlier in the week on a recent incidence where Karuna cadres "stormed" a German NGO's offices and warehouse in Batticaloa and removed without authorization many of the supplies (septel will provide more details). Weerth said, and others agreed, that Karuna increasingly is attempting to take over law and order functions in large parts of the east. It is therefore important that Co-Chair countries take a clear stand now on the need for the GSL to rein in Karuna and deploy sufficient central government police to the east so they can perform essential law and order functions. EU Head of Mission Wilson said he planned to recommend that Brussels withhold aid to the Eastern Provincial Council until the GSL and the EPC have
- ¶9. (C) Brattskar pointed out that it will be difficult for the government to assert control in the east since the area has been lawless for some time. He noted that police and security forces tend to stay in their barracks and armed camps after dark to protect themselves from LTTE attacks. Ambassador added that while the government had won important victories in Vakarai and other parts of the east the LTTE was likely to infiltrate cadres back into the east and carry on a guerilla campaign for the foreseeable future which the government would be powerless to stop. Prasad said Indian contacts in the east report that both the security forces and the Karuna group are engaged in very oppressive tactics. He reiterated the importance of reining in Karuna and insisting on the security forces behaving in accordance with international standards.

 BLAKE